

**MINUTES OF THE 131st ANNUAL GENERAL MEETING OF THE
OLD TAUNTONIAN ASSOCIATION HELD AT THE SCHOOL ON
SATURDAY 18th May 2019 AT 11.30am**

Present:

Michael Button (*Vice President and Chairman of the meeting*), David Bridges (*Secretary*), John Bartram, Jon Bird, David Brighton, Michael Colley, Philip Griffiths, David Jenkins (*Vice President*), John Hawkins, Richard Jowett, Nadine Latte *Foundation Director*, Derrick Mead, John Pangbourne, Clive Roberts, Simon Smart, Jonathan Stocker, Irving Struel, John Oliver, Hugh Todd and Roger Ward.

1. Apologies:

Christopher Ainley, Robin Birtwistle, Hera Bradley, Gordon Cooper Lee Glaser *Headmaster*, Henry Keeling, Richard Kennedy *Treasurer*, Tom Jameson, Julian Pike, Peter Raw, John Ryland, Liam Travers, Michael Willacy and Richard Willacy

Not in Attendance: Simon Nicholson *President*

1a. Procedural matters

Michael Button informed the meeting that item 8 would precede item 7 and a new item (10) would be the installation of the President for 2019. He hoped we could move through the formal items leaving more time for the Committee Recommendations.

2. Minutes of the last meeting:

The minutes of the 130th AGM held on 9th June 2018 were approved as a true record.

3. Matters arising:

There were no matters arising.

4. Treasurer's Report:

- 4.1 In the absence of the OTA Treasurer, Simon Smart led the meeting through the accounts.
- 4.2 With regards to the Scholarship Fund, the 200 Club donated £2000 which should have been matched by the OTA. (Simon Smart to contact Richard Kennedy to rectify).
- 4.3 Irving Struel queried the Management Fee paid to Brewin Dolphin expressing the opinion that there must be someone within the OTA body who could act as Investment Manager. In response, the opinion of accountants present was that the 1% MF was not considered an unreasonable sum. Also the three Trustees are personally responsible for the OTA £700k+ and, as 'custodians' of the money, were more than happy to pay the current MF. The Chairman thanked Irving for raising this point which was duly noted and pointed out that, in his opinion, BD had done a good job as investment Managers.
- 4.4 Acceptance of the Accounts, subject to a couple of minor adjustments not affecting the end result, were proposed by David Jenkins, seconded by David Brighton and approved by all.
- 4.5 Acceptance of The Scholarship Fund (subject to 4.2 above) and OT Trust Accounts were proposed by Simon Smart, seconded by Derrick Mead and approved by all.

5. Appointment of Officers:

OTA President:	David Bridges
Association Sec:	David Bridges (until 31/08/19 when Dr Hannah Jones would be PofC)
Treasurer:	Richard Kennedy
Trustee:	Henry Keeling, Jonathan Stocker, Simon Smart
Young OT Reps:	Hera Bradly, Liam Travers

6. Appointment of Accounts Examiner:

Ian Chilton was thanked for all his work with the OTA Accounts. He was duly appointed as Accounts Examiner for another year.

The appointment of Officers and Accounts Examiner were proposed *en masse* by Michael Colley, seconded by Clive Roberts and approved by all.

8. Recommendations from the Committee:

- 8.1 Following unfortunate publicity in the recent *OT Review* and as it was known that three 'key' players would be absent from today's Committee Meeting and AGM, a working party met on 30th April to arrive at firm proposals for approval by the committee and AGM. Chaired by Michael Button, other members of the group were David Jenkins (OTA VP), David Bridges (OTA Secretary/Foundation Manager/President Elect), Henry Keeling (OTA Trustee/Chairman TSEC), Richard Kennedy (OTA Treasurer) and Nadine Latte (Foundation & Alumni Director)
- 8.2 It was AGREED that:
- The OTA Committee is COMMITTED TO CHANGE.
 - Having satisfied its own requirements, INCOME from accumulated OTA Funds would be made available to SUPPORT the TS Foundation.
 - Efforts should be made NOT to ALIENATE the membership.
 - It was UNLIKELY that the proposed EGM would have attracted a 75% vote in favour of dissolution of the OTA in any event.
 - Imperative that DUE PROCESS be followed in order to change.
 - The OTA will CONTINUE in all its guises and become part of the 'Taunton School Community' alongside the PTA and Foundation.
 - TS will fund the Leavers' Ties and Brooches.
 - The *OT Review* would become a totally new communication model with the OTA having their section.
 - An EGM would be held mid-May 2020 to update the constitution and give effect to the proposed changes.
 - The London Club Benevolent Fund (approx. £60k) would hopefully be incorporated into the OTA funds in order that the TS Foundation could benefit from interest earned, but further work is required on this point.
 - David Bridges would serve two years as OTA President when he, as a highly respected member of the OTA will be in a very good position as ambassador to convey the reasoning behind these decisions.
- 8.3 Clive Roberts asked whether the OTA would continue with its own identity. He was assured that it would, but under the new umbrella arrangement.
- 8.4 Richard Jowett was similarly assured regarding the OT Golf Club maintaining its own identity.

- 8.5 Irving Struel asked what safeguards, if any, would be in place to protect OTA Funds. He was assured that the OTA would support Bursaries from INCOME rather than capital. He commented that it was very sad that David Bridges was taking early retirement.

7. Foundation

- 7.1 Nadine echoed Irving's sentiments regarding the retirement of David Bridges. Dr Hannah Jones, the new Database & Research Officer, would become the OT point of contact in her role of engaging the whole Taunton School Community.
- 7.2 Two new people in the Development Office replacing David would enable philanthropic, social and professional engagement to gather apace. Mentoring, new venues and new events would become the norm with greater emphasis on Social Media communication. Getting relationships right is an important step to securing philanthropic support which, in turn, will change lives.
- 7.3 David Jenkins supported Nadine by saying that the OTA has withered away and 1000s of OTs fail to see the relevance of the OTA. It needs to change to work for its younger membership.
- 7.4 Clive Roberts pointed out that it was, for a long time in its 130 years history, allegedly one of the biggest and most well-supported Old Boys' Associations.
- 7.5 A proposal to accept the recommendations of the Working Party and Committee was made by Roger Ward, seconded by John Bartram and approved by all.

9. Any other business:

- 9.1 John Oliver raised concerns that the National Anthem was not sung at the 2018 Remembrance Service. Following much discussion, Jon Bird commented that, as an Association, we should be clear on what we consider during meetings. Last year it was the non-striking of the School Clock, this year it was the National Anthem – we should not become an Association that tells the Headmaster how to run his School. The Chairman supported this view and confirmed that matters of this nature should, if necessary, be taken up directly with the Headmaster. *Afternote: At lunch the Chairman of Governors, Henry Keeling, explained that the National Anthem had not formed part of the Remembrance Service until some four or five years previously and in any case the Headmaster would always seek guidance from the chaplain in such matters. JO is now content.*
- 9.2 Irving Struel reiterated his dismay about payment of an Investment Management Fee. Again he was assured that in the view of the Trustees the 1% MF was not an unreasonable charge for peace of mind. The Chairman noted his comments but stressed that it was the over-riding opinion of the majority that this was good value for money. He further pointed out that the value of Investments had fared well under Brewin Dolphin's stewardship.
- 9.3 John Pangbourne suggested the Presidential Sub-Committee be reinstated. The Chairman replied by stating that this had already been effected and, in addition, nominations would be welcomed from any member of the OTA.

10. Investiture of the New President

Michael Button Invested David Bridges as the new OTA President for 2019-21. He thanked David for his diligent service as Secretary over many years: he was certain that the appointment was a popular one. In investing the new President with his Chain of Office, the highest honour the Association had in its power to confer on any of its members, Michael wished him well, saying what a great pleasure it was to perform this task and he was sure that David would take us forward in the new 'Taunton School Community' as our ambassador for change. Our New President replied suitably.

OLD TAUNTONIAN ASSOCIATION

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

TRUSTEES:

Henry Keeling

Jonathan Stocker

Simon Smart

TREASURER:

Richard Kennedy

REPORT OF THE TREASURER FOR THE YEAR ENDED 31 DECEMBER 2018

Global equity markets suffered during 2018, particularly in the atrocious final quarter that was predicated on fears about the pace and scale of US interest rate rises. When the yield on 10 year vs Treasuries spiked to 3.25% at the end of September this caused investors to reappraise the returns from their own investments relative to this new higher risk-free rate, triggering an indiscriminate sell-off of global equity and bond markets, taking them well into negative territory for the year. Against this backdrop, the portfolio fell in value by 10.42% during 2018, following particularly strong returns in 2016 and 2017. This compares to the FTSE 100 return of – 8.73%.

Equity markets have enjoyed a very positive start to 2019. The S&P 500 is ahead over 17% and the FTSE is more than 11% higher as recession fears subside and central banks make dovish noises. For most investors, the fourth quarter sell-off is a distant memory. Life is good once again but there are some signs that market conditions may have subtly changed. The fourth quarter's drop in the S&P was of a different magnitude to other sell-offs over the past five years.

I will arrange to review the risk profile with Brewin Dolphin in the near future.

RICHARD KENNEDY - TREASURER

07 May 2019

OLD TAUNTONIAN ASSOCIATION
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>2018</u>	<u>2017</u>
	£	£
<u>INCOME</u>		
Dividends & Interest received	25,150	24,918
School contribution	3,978	-
Sale of OTA Goods (Write down)	-	240
Operating Income	<u>29,128</u>	<u>25,158</u>
<u>EXPENDITURE</u>		
<i><u>Administration</u></i>		
Insurance	512	493
Portfolio Management	5,216	6,019
	<u>5,728</u>	<u>6,512</u>
<i><u>Other Costs</u></i>		
Dinner & events	316	710
Clothing	2,167	-
Travel	166	-
Stock write down	344	-
	<u>2,993</u>	<u>710</u>
Operating Expenditure	<u>8,721</u>	<u>7,222</u>
Net Operating Surplus for the year	<u>20,407</u>	<u>17,936</u>
Discretionary Payments		
Allowance to Golf Section	590	600
Appropriation to General Reserve (Investment)	-	15,000
Donation to TS Foundation	5,000	17,500
	<u>5,590</u>	<u>33,100</u>
Net Surplus/(Deficit)	<u>£14,817</u>	<u>(£15,164)</u>

The notes below form an integral part of these accounts

Movement in General Reserve for the year ended 31 December 2018

	<u>2018</u>	<u>2017</u>
	£	£
Net Surplus/(Deficit)	14,817	-15,164
General Reserve brought forward	229,562	165,876
Profit (Loss) on Portfolio Revaluation	-85,523	55,298
Profit / (Loss) on Sale of Investments	-	1,142
Amortisation of Life Reserve	7,304	7,410
Investment Appropriation	-	15,000
General Reserve	<u>166,160</u>	<u>229,562</u>

OLD TAUNTONIAN ASSOCIATION
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>2018</u>	<u>2017</u>
1: STOCKS HELD FOR FUTURE MEMBERS	£	£
At Cost	£ 3,415	£ 5,399
2: CREDITORS		
Accruals	£ 590	£ 1,640
3: LIFE MEMBERS RESTRICTED FUND		
	£	£
1st January	511,304	526,231
Less actuarial write off 1/70 of opening balance	£70,756	(7,517)
Balance at 31st December	£504,000	£518,714

The Life Members Reserve represents life membership subscriptions received by the Association. This ceased in 2014 as did the payment for the Review and the new members' kit, which are both being met by the School.

The fund is invested and provides the most part of the Association's income.

From 2010 the actuarial valuation will be based upon a life expectancy of 89.

	<u>2018</u>	<u>2017</u>
4: RESTRICTED GENERAL RESERVE	£	£
1st January	229,562	165,876
Net movement see above	(63,402)	63,686
31st December	£166,160	£229,562

The General Reserve is only distributable to Taunton School or the Old Tauntonian Scholarship Fund

5: INVESTMENTS

Details of the discretionary investment managed by Brewin Dolphin are available from the Treasurer. Similarly details of the CCLA Global Equities Fund can be found on their website.

Small Companies tax at 19% may be payable on the disposal of the portfolios. There are tax losses of £46,036 to offset against gains from the investment portfolio. In addition there is a £17,500 trading loss as a result of the donation to the Foundation.

Brewin Dolphin discretionary managed investments: cost £519,615 and market £525,231

72,439 Units CCLA COIF Global Equities Fund: cost £100,269 and market £121,719

OLD TAUNTONIAN ASSOCIATION SCHOLARSHIP FUND

Registered Charity 1060388 Subsidiary 1

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

Trustees:

**Henry Keeling
Jonathan Stocker
Simon Smart**

Treasurer:

Richard Kennedy

Committee of Management:

THE HEADMASTER

THE PRESIDENT

THE TREASURER

Treasurer's Report

The overall value of the fund has remained static in a difficult year for the markets.
A donation of £2,000 was received from the 200 Club.

Richard Kennedy

7 May 2019

OLD TAUNTONIAN ASSOCIATION SCHOLARSHIP FUND

Registered Charity 1060388 Subsidiary 1

BALANCE SHEET AS AT 31 DECEMBER 2018

<u>ASSETS</u>	<u>2018</u> £	<u>2017</u> £
<u>Capital Fund:</u>		
9968 (9968: 2017) Units Charities Official Investment Fund @ Market Value	142,812	146,860
Income Shares @ Cost - £40585		
<u>Income Account:</u>		
CCLA Cash Fund	8,297	7,298
Lloyds Bank	4,526	-
<u>TOTAL ASSETS</u>	<u>155,635</u>	<u>154,158</u>
<u>LIABILITIES</u>		
Due to OTA	2,376	-
<u>NET ASSETS</u>	<u>153,259</u>	<u>154,158</u>
<u>REPRESENTED BY</u>		
<u>Capital Fund:</u>		
Opening Balance 1st January	138,054	125,928
Deficit/Surplus of Revaluation COIF Investments	-4,048	12,126
	<u>134,006</u>	<u>138,054</u>
<u>Income Account</u>		
Opening Balance 1st January	16,104	15,225
Surplus from Main Operations for the Year	3,149	879
	<u>19,253</u>	<u>16,104</u>
<u>TOTAL RESERVES</u>	<u>£153,259</u>	<u>£154,158</u>

OLD TAUNTONIAN ASSOCIATION SCHOLARSHIP FUND

Registered Charity 1060388 Subsidiary 1

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>2018</u>	<u>2017</u>
<u>INCOME</u>	£	£
Dividends and Interest	5,149	4,879
200 Club	<u>2,000</u>	<u>-</u>
	7,149	4,879
<u>Less: EXPENDITURE</u>		
Awards	<u>4,000</u>	<u>4,000</u>
Operating Surplus for the Year	<u>3,149</u>	<u>879</u>
Revaluation of COIF Investments to Market Value	<u>£(4,048)</u>	<u>£12,126</u>

EXAMINER'S REPORT TO THE TRUSTEES OF THE OLD TAUNTONIAN ASSOCIATION SCHOLARSHIP FUND

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2018

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ian Chilton

07 May 2019

OLD TAUNTONIAN TRUST

Registered charity 1060388

Receipts and Payments Account for the year ended 31 December 2018

	2018 £	2017 £
Total Funds brought forward	9,525	9,516
Add: Interest received	4	9
Less: COIF Units loss in value	<u>(151)</u>	<u>-</u>
Year end funds	<u>£9,378</u>	<u>£9,525</u>
 <u>There was no expenditure</u>		
 The funds were held as follows:		
Lloyds Bank Treasurer's account	18	4,786
Lloyds Bank Instant Access	-	1,483
COIF Charities Deposit Fund	260	3,256
COIF Charities Accumulation Units	<u>9,100</u>	<u>-</u>
TOTAL FUNDS	<u>£9,378</u>	<u>£9,525</u>

Notes: There are two separate funds	<u>General</u>	<u>Benevolent</u>	<u>Total</u>
Balance at 1 st January 2018	7,490	2,035	9,525
Allocation	<u>(116)</u>	<u>(31)</u>	<u>(147)</u>
Net funds	<u>7,374</u>	<u>2,004</u>	<u>9,378</u>

Richard Kennedy

7 May 2019

Independent Examiner’s Report to the Trustees of the Old Tauntonian Trust

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the above charity (“the Trust”) for the year ended 31 December 2018.

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the Act”).

I report in respect of my examination of the Trust’s accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act..

Independent Examiner’s Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ian Chilton 7 May 2019